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Draft report

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Addendum

Policy directives to the drug programme of the United Nations Office on Drugs and Crime and strengthening the drug programme and the role of the Commission on Narcotic Drugs as its governing body, including administrative, budgetary and strategic management questions

1. At its 5th meeting, on 17 March 2014, the Commission considered agenda item 12, entitled "Policy directives to the drug programme of the United Nations Office on Drugs and Crime and strengthening the drug programme and the role of the Commission on Narcotic Drugs as its governing body, including administrative, budgetary and strategic management questions".

2. For its consideration of item 12, the Commission had before it the following:

(a) Report of the Executive Director on the activities of UNODC (E/CN.7/2014/2-E/CN.15/2014/2);

(b) Report of the Secretariat on documentation prepared for the Commission on Narcotic Drugs (E/CN.7/2014/6);

(c) Note by the Secretariat on the work of the standing open-ended intergovernmental working group on improving the governance and financial situation of UNODC (E/CN.7/2014/8-E/CN.15/2014/8);

(d) Note by the Secretary-General on the proposed strategic framework for the period 2016-2017 (E/CN.7/2014/15-E/CN.15/2014/15);

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(e) Report on the reconvened fifty-sixth session of the Commission on Narcotic Drugs (E/2013/28/Add.1-E/CN.7/2013/15/Add.1);

(f) Note by the Secretariat on the proposed strategic framework for the period 2016-2017 (E/CN.7/2014/CRP.4).

3. Introductory statements were made by the Director of the Division for Operations, the Director of the Division for Policy Analysis and Public Affairs and the Director of the Division for Management. The representative of Spain, in his capacity as co-chair of the standing open-ended intergovernmental working group on improving the governance and the financial situation of UNODC also made an introductory statement.

4. Statements were made by representatives of the Republic of Korea, China, Japan, the United States of America, Canada, Brazil, Iran (Islamic Republic of) and Afghanistan.

5. Statements were also made by the observers for Nicaragua (on behalf of the States members of the Group of Latin American and Caribbean States), Saudi Arabia, Sweden, Finland, Argentina and Cameroon.

Deliberations

6. Speakers expressed appreciation for the work of the standing open-ended intergovernmental working group on improving the governance and financial situation of UNODC and its important role in ensuring stability in the financial situation of UNODC and the ability to evaluate programmes, transparency and efficiency.

7. Speakers commended the leading role played by UNODC in the international drug control effort, under the principle of common and shared responsibility and based on a balanced and integrated approach, focusing on both demand and supply reduction. Appreciation of UNODC was expressed for its normative work, data and trend analysis, identification of new challenges, development of technical cooperation programmes, strengthening of institutional and operational capacities of partner countries and regional entities, and promotion of international cooperation and joint mechanisms. In particular, broad support was expressed for the various regional and country programmes being implemented by the Office in the field, while the global Synthetics Monitoring: Analysis, Reporting and Trends (SMART) programme was mentioned in relation to the monitoring of new psychoactive substances.

8. On the subject of full cost recovery, speakers stressed that UNODC be guided by Commission resolution 56/17 and the need for the Commission to assess the effectiveness and further feasibility of the new funding model after its provisional implementation in 2014-2015, bearing in mind the common objectives of Member States in the fight against drugs and crime.

9. Several speakers expressed their support for the implementation of full cost recovery. It was recalled that the simultaneous increase in special-purpose funding and the decrease in general-purpose funding had taken UNODC in an unsustainable direction that threatened the long-term effective delivery of its programmes. It was

recognized that full cost recovery did not generate new costs; rather, it presented in a different way costs that were previously hidden by cross-subsidization. An unsuccessful implementation of full cost recovery would have clear consequences for the UNODC field presence and the Office's ability to deliver results.

10. Speakers requested UNODC to continue being guided by the principles of transparency, accountability and consistency. Speakers expressed their appreciation for the fact that the transition towards full cost recovery had enabled an informed discussion on actual costs and cost-effectiveness for programmes and projects, which would strengthen transparency and the delivery of results. Member States expected cost discipline and rationalization to be exercised not only in field offices but also at headquarters. The need for cost efficiencies was particularly important because high costs associated with full cost recovery could make UNODC projects less competitive.

11. Speakers took note of the guidance note on full cost recovery and requested the Secretariat to continue to brief and consult Member States on the implementation of full cost recovery, as well as on challenges and lessons learned. One donor State indicated that retroactive application of full cost recovery to existing projects with agreed financial frameworks could not be supported. UNODC was requested to continue making a persuasive case for donor support for general-purpose funding, in view of the vital role of such funding.

12. Speakers requested detailed information on the use of programme support cost funds. Speakers encouraged judicious use of regular budget resources, continuous prioritization of programmatic goals and sustained emphasis on the implementation of existing mandates. One speaker requested the Secretariat to provide information on further plans by UNODC to implement results-based budgeting and on progress in the implementation of United Nations-wide efforts such as Umoja. One speaker also requested the Secretariat to provide information on the geographical distribution of UNODC staff.

13. With regard to the strategic framework for 2016-2017, one delegation mentioned that, when addressing the concept of "fully costed" programmes, reference should be made to the fact that the concept of full cost recovery had been only provisionally endorsed. A few delegations suggested that the issues of cost efficiency, effectiveness and transparency be referred to in the draft strategic framework as applying to both UNODC headquarters and field offices.

14. Another delegation stressed the importance of the document providing for full cooperation with civil society and expressed support for further expansion and implementation of results-based management and budgeting. Support was expressed for the work being undertaken to implement the UNODC position paper on human rights, and it was requested that efforts be made to report consistently on that issue in the context of overall programme results reporting.

15. One speaker made several specific comments on the draft strategic framework for 2016-2017, including with regard to harmonizing the terminology used, placing greater emphasis on the concept of prevention, amending references to the United Nations crime congresses, engagement with stakeholders and the need to apply the principles of enhanced transparency and good governance equally to field offices and UNODC headquarters.